



Half Yearly Report

2010-2011



SQUARE
PHARMACEUTICALS LTD.
BANGLADESH

Dear Shareholders

We are pleased to present the unaudited half-yearly financial statements of the company containing Balance Sheet as at September 30, 2010 and Income Statement, Statement of Changes in Equity and Cash Flow Statement for the half-year ended September 30, 2010.


Tapan Chowdhury
Managing Director

SQUARE PHARMACEUTICALS LTD.

BALANCE SHEET (Unaudited)

as at 30 September 2010

	30-09-2010	31-03-2010
ASSETS:		
Non-Current Assets:	10,805,338,543	10,255,189,084
Property, Plant and Equipment-Carrying Value	5,806,215,885	5,630,791,822
Capital Work-in-Progress	999,072,489	634,347,093
Investment - Long Term (at Cost)	4,000,050,169	3,990,050,169
Current Assets:	6,302,192,149	4,774,311,194
Inventories	2,195,181,578	2,207,078,082
Trade Debtors	512,034,311	508,249,174
Advances, Deposits and Prepayments	532,179,759	358,250,076
Investment in Marketable Securities (at Cost)	218,851,286	221,269,226
Short Term Loan	2,579,880,779	1,220,736,941
Cash and Cash Equivalents	264,064,436	258,727,695
TOTAL ASSETS	Tk. 17,107,530,692	15,029,500,278
SHAREHOLDERS' EQUITY AND LIABILITIES:		
Shareholders' Equity:	12,525,028,277	11,554,379,825
Share Capital	1,961,739,000	1,509,030,000
Share Premium	2,035,465,000	2,035,465,000
General Reserve	105,878,200	105,878,200
Tax Holiday Reserve	1,101,935,237	1,101,935,237
Retained Earnings	7,320,010,840	6,802,071,388
Non-Current Liabilities:	1,070,649,695	1,258,376,052
Long Term Loans - Secured	844,906,753	1,032,633,110
Deferred Tax Liability	225,742,942	225,742,942
Current Liabilities:	3,511,852,720	2,216,744,401
Short Term Bank Loans	1,144,656,493	736,443,848
Long Term Loans - Current Portion	482,069,718	462,090,211
Trade Creditors	590,126,507	394,715,915
Liabilities for Expenses	51,185,020	56,463,570
Liabilities for Other Finance	1,243,814,982	567,030,857
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES	Tk. 17,107,530,692	15,029,500,278


Tapan Chowdhury
Managing Director


Md. Kabir Reza
Chief Financial Officer

SQUARE PHARMACEUTICALS LTD.

INCOME STATEMENT (Unaudited)

for the half-year ended 30 September 2010

Half-Yearly Results

Quarterly Results

	Half-Year Ended 30th Sept 2010	Half-Year Ended 30th Sept 2009	July-September 2010	July-September 2009
GROSS TURNOVER	7,686,708,558	6,689,490,869	3,972,730,352	3,404,770,252
Less: Value Added Tax	1,048,364,968	889,514,125	538,876,245	440,981,618
NET TURNOVER	6,638,343,590	5,799,976,744	3,433,854,107	2,963,788,634
COST OF GOODS SOLD	(3,456,814,407)	(3,049,573,810)	(1,774,778,678)	(1,552,063,299)
GROSS PROFIT	3,181,529,183	2,750,402,934	1,659,075,429	1,411,725,335
Operating Expenses:	(1,356,956,554)	(1,108,436,227)	(714,418,943)	(550,493,951)
Selling and Distribution Expenses	(1,035,454,648)	(844,063,897)	(531,632,127)	(413,911,724)
Administrative Expenses	(321,501,906)	(264,372,330)	(182,786,816)	(136,582,227)
PROFIT FROM OPERATIONS	1,824,572,629	1,641,966,707	944,656,486	861,231,384
Other Income	368,888,899	286,058,223	203,713,250	170,598,791
Financial Expenses	(100,475,211)	(154,460,300)	(67,093,341)	(83,615,561)
NET PROFIT BEFORE WPPF	2,092,986,317	1,773,564,630	1,081,276,395	948,214,614
Allocation for WPPF	(99,666,015)	(84,455,459)	(51,489,352)	(45,153,077)
NET PROFIT BEFORE TAX	1,993,320,302	1,689,109,171	1,029,787,043	903,061,537
Provision for Income Tax	(494,511,350)	(408,898,946)	(253,068,684)	(212,464,142)
NET PROFIT AFTER TAX	Tk. 1,498,808,952	1,280,210,225	776,718,359	690,597,395
(Transferred to the Statement of Changes in Equity)				
Earnings Per Share (EPS)	Tk. 76.40	65.26	39.59	35.20
Number of Shares used to compute EPS	19,617,390	19,617,390	19,617,390	19,617,390

SQUARE PHARMACEUTICALS LTD.

STATEMENT OF CHANGES IN EQUITY (Unaudited)

for the half-year ended 30 September 2010

	Share Capital	Share Premium	General Reserve	Tax Holiday Reserve	Retained Earnings	Total
At 31 March 2010	1,509,030,000	2,035,465,000	105,878,200	1,101,935,237	6,802,071,388	11,554,379,825
Net Profit (Apr'10 - Sep'10)	-	-	-	-	1,498,808,952	1,498,808,952
Cash Dividend (2009-2010)	-	-	-	-	(528,160,500)	(528,160,500)
Stock Dividend (2009-2010)	452,709,000	-	-	-	(452,709,000)	-
At 30 September 2010	Tk. 1,961,739,000	2,035,465,000	105,878,200	1,101,935,237	7,320,010,840	12,525,028,277
At 30 September 2009	Tk. 1,509,030,000	2,035,465,000	105,878,200	1,101,935,237	5,994,409,822	10,746,718,259

Tapan Chowdhury
Managing Director

Md.Kabir Reza
Chief Financial Officer

SQUARE PHARMACEUTICALS LTD.

CASH FLOW STATEMENT (Unaudited)

for the half-year ended 30 September 2010

	Half-Year Ended 30th Sept 2010	Half-Year Ended 30th Sept 2009
Cash Flows From Operating Activities:		
Collections from Turnover & Other Income	6,984,163,827	6,072,752,354
Payment for Costs and Expenses	(4,628,223,840)	(4,489,871,341)
Income Tax Paid and/or Deducted	(341,199,864)	(453,313,517)
	2,014,740,123	1,129,567,496
Cash Flows From Investing Activities:		
Acquisition of Fixed Assets	(518,417,883)	(338,642,987)
Acquisition of Long Term Assets	(364,725,396)	(982,405,858)
Investment	(7,582,060)	288,112,238
	(890,725,339)	(1,032,936,607)
Cash Flows From Financing Activities:		
Long Term Loan Received	65,589,350	1,062,877,395
Long Term Loan Repaid	(233,336,200)	(254,312,396)
Short Term Bank Loan	408,212,645	(680,580,275)
Short Term Loan	(1,359,143,838)	(317,047,267)
	(1,118,678,043)	(189,062,543)
Net Cash Inflows/(Outflows) for the Half-Year	5,336,741	(92,431,654)
Cash and Cash Equivalents at the Opening	258,727,695	293,457,740
Cash and Cash Equivalents at the Closing	Tk. 264,064,436	201,026,086


Tapan Chowdhury
Managing Director


Md. Kabir Reza
Chief Financial Officer

SQUARE PHARMACEUTICALS LTD.

AND ITS SUBSIDIARIES

CONSOLIDATED BALANCE SHEET (Unaudited)

as at 30 September 2010

	30-09-2010	31-03-2010
ASSETS:		
Non-Current Assets:	12,155,459,046	11,400,824,643
Property, Plant and Equipment-Carrying Value	6,868,774,732	6,681,282,992
Capital Work-in-Progress	999,072,489	634,347,093
Investment - Long Term (at Cost)	255,157,800	185,157,800
Investment - Associate Undertakings	4,032,405,479	3,900,036,758
Preoperating Expenses	48,546	-
Current Assets:	6,885,683,562	5,004,928,113
Inventories	2,556,870,294	2,574,728,918
Trade Debtors	812,890,838	511,977,702
Advances, Deposits and Prepayments	649,275,811	370,650,819
Investment in Marketable Securities (at Cost)	218,851,286	221,269,226
Short Term Loan	2,260,517,620	1,056,493,647
Cash and Cash Equivalents	387,277,713	269,807,801
TOTAL ASSETS	Tk. 19,041,142,608	16,405,752,756
SHAREHOLDERS' EQUITY AND LIABILITIES:		
Shareholders' Equity:	14,222,438,109	12,940,209,559
Share Capital	1,961,739,000	1,509,030,000
Share Premium	2,035,465,000	2,035,465,000
General Reserve	105,878,200	105,878,200
Tax Holiday Reserve	1,508,148,782	1,440,910,734
Retained Earnings	8,611,207,127	7,848,925,625
Minority Interest	4,965,022	4,024,660
Non-Current Liabilities:	1,160,649,695	1,368,376,052
Long Term Loans - Secured	934,906,753	1,142,633,110
Deferred Tax Liability	225,742,942	225,742,942
Current Liabilities:	3,653,089,782	2,093,142,485
Short Term Bank Loans	1,328,936,693	879,742,205
Long Term Loans - Current Portion	522,069,718	502,090,211
Trade Creditors	451,379,109	103,428,870
Liabilities for Expenses	62,736,375	61,271,985
Liabilities for Other Finance	1,287,967,887	546,609,214
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES	Tk. 19,041,142,608	16,405,752,756


Tapan Chowdhury
Managing Director


Md. Kabir Reza
Chief Financial Officer

SQUARE PHARMACEUTICALS LTD.
AND ITS SUBSIDIARIES
CONSOLIDATED INCOME STATEMENT (Unaudited)

for the half-year ended 30 September 2010

Half-Yearly Results

Quarterly Results

	Half-Year Ended 30th Sep 2010	Half-Year Ended 30th Sep 2009	July-September 2010	July-September 2009
GROSS TURNOVER	9,226,113,068	7,477,104,718	4,742,432,607	3,798,577,176
Less: Value Added Tax	1,183,830,908	1,001,064,584	606,609,215	496,756,847
NET TURNOVER	8,042,282,160	6,476,040,134	4,135,823,392	3,301,820,329
COST OF GOODS SOLD	(4,447,505,041)	(3,426,722,443)	(2,270,123,995)	(1,740,637,615)
GROSS PROFIT	3,594,777,119	3,049,317,691	1,865,699,397	1,561,182,714
Operating Expenses:	(1,411,441,565)	(1,153,263,860)	(741,661,448)	(572,907,767)
Selling and Distribution Expenses	(1,082,849,799)	(884,752,377)	(555,329,702)	(434,255,964)
Administrative Expenses	(328,591,766)	(268,511,483)	(186,331,746)	(138,651,803)
PROFIT FROM OPERATIONS	2,183,335,554	1,896,053,831	1,124,037,949	988,274,947
Other Income	160,569,331	107,136,448	67,610,180	55,016,274
Financial Expenses	(114,214,683)	(159,868,807)	(73,963,077)	(86,319,814)
NET PROFIT BEFORE WPPF	2,229,690,202	1,843,321,472	1,117,685,052	956,971,407
Allocation for WPPF	(108,673,602)	(90,118,973)	(55,993,145)	(47,984,834)
NET PROFIT BEFORE TAX	2,121,016,600	1,753,202,499	1,061,691,907	908,986,573
Provision for Income Tax	(494,511,350)	(408,898,946)	(253,068,684)	(212,464,142)
NET PROFIT AFTER TAX	1,626,505,250	1,344,303,553	808,623,223	696,522,431
Profit/(Loss) from Associate Undertakings	184,824,162	47,204,805	95,443,198	24,664,511
Minority Interest	(940,362)	(593,038)	(489,982)	(275,454)
Balance transfer to the Statement of Changes in Equity	Tk. 1,810,389,050	1,390,915,320	903,576,439	720,911,488
Earnings Per Share (EPS)	Tk. 92.28	70.90	46.02	36.75
Number of Shares used to compute EPS	19,617,390	19,617,390	19,617,390	19,617,390

SQUARE PHARMACEUTICALS LTD.


AND ITS SUBSIDIARIES

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (Unaudited)

for the half-year ended 30 September 2010

	Share Capital	Share Premium	General Reserve	Tax Holiday Reserve	Retained Earnings	Total
At 31 March 2010	1,509,030,000	2,035,465,000	105,878,200	1,440,910,734	7,848,925,625	12,940,209,559
Net Profit (Apr'10 - Sep'10)	-	-	-	-	1,810,389,050	1,810,389,050
Transfer to Tax Holiday Reserve	-	-	-	67,238,048	(67,238,048)	-
Cash Dividend (2009-2010)	-	-	-	-	(528,160,500)	(528,160,500)
Stock Dividend (2009-2010)	452,709,000	-	-	-	(452,709,000)	-
At 30 September 2010	Tk. 1,961,739,000	2,035,465,000	105,878,200	1,508,148,782	8,611,207,127	14,222,438,109
At 30 September 2009	Tk. 1,509,030,000	2,035,465,000	105,878,200	1,248,026,732	6,888,399,199	11,786,799,131


Tapan Chowdhury
Managing Director


Md. Kabir Reza
Chief Financial Officer

SQUARE PHARMACEUTICALS LTD.

AND ITS SUBSIDIARIES

CONSOLIDATED CASH FLOW STATEMENT (Unaudited)

for the half-year ended 30 September 2010

	Half-Year Ended 30th Sept 2010	Half-Year Ended 30th Sept 2009
Cash Flows From Operating Activities:		
Collections from Turnover & Other Income	7,930,921,053	6,622,262,264
Payment for Costs and Expenses	(5,457,614,367)	(4,933,053,857)
Income Tax Paid and/or Deducted	(349,216,422)	(457,244,036)
	2,124,090,264	1,231,964,371
Cash Flows From Investing Activities:		
Acquisition of Fixed Assets	(631,736,561)	(345,523,053)
Acquisition of Long Term Assets	(364,725,396)	(216,954,281)
Investment	(67,582,060)	(129,887,762)
	(1,064,044,017)	(692,365,096)
Cash Flows From Financing Activities:		
Long Term Loan Received	65,589,350	1,151,877,395
Long Term Loan Repaid	(253,336,200)	(608,061,944)
Short Term Bank Loan	449,194,488	(745,031,144)
Short Term Loan	(1,204,023,973)	(442,256,742)
	(942,576,335)	(643,472,435)
Net Cash Inflows/(Outflows) for the Half-Year	117,469,912	(103,873,160)
Cash and Cash Equivalents at the Opening	269,807,801	314,388,576
Cash and Cash Equivalents at the Closing	387,277,713	210,515,416

Tk.


Tapan Chowdhury
Managing Director


Md. Kabir Reza
Chief Financial Officer



Corporate Headquarters
Square Centre

48, Mohakhali Commercial Area
Dhaka-1212, Bangladesh